CALENDAR

APRIL

April 22-24, **National Retail Federation**, Credit Collections Conference, Waldorf-Astoria Hotel, New York, (212) 244-8780.

April 22-25, **Association of Business Publishers**, spring meeting, Rancho Las Palmas, Rancho Mirage, Calif., (212) 661-6360.

April 23-25, **City & Regional Magazine Association**, 14th annual conference, Sir Francis Drake Hotel, San Francisco, (703) 548-5016.

April 23-27, **Magazine Publishers of America**, Magazine Publishing Congress/Spring, New York Hilton, (212) 752-0055.

April 26, **American Association of Advertising Agencies**, "High Performance Account Management: Running, Holding & Growing Accounts in Tough Times" seminar led by Robert S. Marker, Barclay Hotel, Philadelphia, (212) 682-2500.

April 26, **Magazine Publishers of America**, American Society of Magazine Editors National Magazine Awards, Waldorf-Astoria Hotel, New York, (212) 752-0055.

April 29-May 2, **Council of Sales Promotion Agencies**, "Managing the Three Forces of a Promotion Agency" spring meeting, Mark Hopkins Inter-Continental Hotel, San Francisco, (203) 325-3911.

MAY

May 2-3, **Direct Marketing Association**, Government Affairs Conference, Capital Hilton Hotel, Washington, (212) 768-7277.

May 6-9, **Association of National Advertisers**, Advertising Financial Management Conference, Hotel del Coronado, San Diego, (212) 697-5950.

May 6-9, **Food Marketing Institute**, 1990 convention, McCormick Place, Chicago, (202) 452-8444.

May 8-9, **Advertising Research Foundation**, second annual Media Research Workshop (including Hispanic Media Research Workshop), Omni Park Central, New York, (212) 751-5656.

May 23, **Magazine Publishers of America**, Kelly Award, Waldorf-Astoria Hotel, New York, (212) 752-0055.

JUNE

June 4-5, **Direct Marketing Association**, sixth annual Financial Services Conference, New York Hilton, (212) 768-7277.

June 5, **Association of National Advertisers**, Corporate Communications Workshop, Plaza Hotel, New York, (212) 697-5950.

June 6-7, **National Retail Federation**, Customer Service in Retailing conference, Inter-Continental Hotel, New York, (212) 244-8780.

Please send Calendar items to Kathy Welyki, Advertising Age, 740 Rush St., Chicago 60611.

May Advertising Age be of service?

A. To Enter or Renew Your Subscription . . .

☐ CHECK HERE for a full year of Ad Age. 52 weeks of advertising marketing news and information wherever it's happening. Just $76, the basic rate.

Europe & Middle East add $126 per year for air delivery. All other foreign add $54 per year for surface postage.

New ☐ Renewal ☐ Payment enclosed ☐

Bill me ☐ Bill company ☐

NAME (PLEASE PRINT)

TITLE

COMPANY

NATURE OF BUSINESS

HOME OR ☐ BUSINESS ADDRESS

CITY STATE ZIP

B. To Change Your Address . . .

☐ CHECK HERE and print your new address **above.** If available, please attach the mailing label from your most recent issue to this form. Allow 4 weeks for change to be made.

C. To Ask a Question About Your Subscription . . .

☐ CHECK HERE and attach the mailing label from your most recent issue to this form and mail to us with your question(s). This will avoid delays and allow us to serve you better.

MAIL FORM TO: Subscription Manager/Advertising Age
965 E. Jefferson Detroit, MI 48207
Or Call Toll-Free 1-800-992-9970 4XA24

ATTACH LABEL HERE
for subscription inquiries or change of address.

Canon bets camcorders will be hot in summer

By Ira Teinowitz

Canon USA is betting camcorders have become so popular that traditional consumer electronics advertising rules can be tossed out the window.

In a move that flies in the face of industry wisdom, Canon tripled its budget for camcorder advertising and has begun a new $7 million to $8 million camcorder campaign this month rather than before the Christmas holiday season.

"We believe that camcorders are no longer seasonal items," said Mike Matzkin, manager of public relations for Canon. "They are year-round items."

Canon's ads spotlighting the new tiny E51 Canovision 8 camcorder (AA, April 9) are intended to make the company a major player in the U.S. camcorder market, Mr. Matzkin said.

Ads for Canon's E51 Canovision camcorder focus on its special features, such as low-light capability.

RCA, Panasonic and Sony brands are the three top-selling camcorders, each with about a 15% share of the $2.1 billion market last year, *Television Digest* reported.

Canon in 1988 was the No. 1 video camera maker among traditional film camera companies but still had only 1.4% of the market, said David Lachenbruch, editorial director of *Television Digest*. Figures for last year were still being calculated.

Four 15-second commercials have begun a nine-week flight in 10 top spot markets and on Cable News Network, Arts & Entertainment and Discovery cable channels.

The humorous spots also get a few network airings on CBS' Professional Golfers' Association coverage.

Half-page spreads in consumer magazines also tout Canon's noninterest credit card. DCA Advertising, New York, handles. ☐

Coffee sales climb in '89

By John C. Maxwell Jr.

Though dollar sales in the coffee industry rose slightly in 1989, adjusted per capita consumption continued to decline.

Marketers' emphasis on higher-priced, upscale, quality coffees may have helped to prop up sales, which rose 4% last year to an estimated $2.7 billion.

The specialty coffee subsegment has shown continued strength based on the increased availability of the higher-quality arabica coffee bean and consumers' apparent willingness to pay a little extra for a better cup of coffee.

Increased sales are also due in part to the renewed competitive battle for market share between General Foods USA's Maxwell House and Procter & Gamble Co.'s Folgers.

That rekindled share fight boosted coffee advertising and promotion substantially last year. A number of new-product introductions also increased spending.

Nevertheless, coffee consumption will remain flat or decline as consumers move away from hot, acidic drinks to cold beverages such as soft drinks. Historically, there's a direct correlation between coffee consumption and age, but that's expected to weaken as baby-boomers age and take their soft-drink habits with them.

Per capita consumption (based on a three-year moving average) declined modestly last year to an estimated 25.3 gallons, vs. 25.4 gallons in 1988 and 25.7 in 1987.

Market share estimates show P&G moving narrowly ahead of General Foods in the regular coffee segment, 32.2% to 32.1%. But General Foods continued its lead in instant coffee with a combined 36.7%, as second-place Nestle came in at 33.6% and P&G had 23.9%. ☐

Mr. Maxwell is an analyst with Wheat, First Securities, Richmond, Va.

Coffee market shares

Brand	Regular coffee 1989*	1988	1987
General Foods			
Maxwell House			
Regular	16.0	16.7	18.1
Decaf.	2.0	2.0	2.0
Private Collection	0.3	0.3	0.2
Subtotal	18.3	19.0	20.3
Master Blend	8.2	8.0	7.6
Sanka	1.9	2.0	2.1
Yuban			
Regular	2.1	2.2	2.3
Decaf.	0.3	0.3	0.4
Subtotal	2.4	2.5	2.7
Brim (includes Max-Pax)	1.3	1.5	1.8
Total	32.1	33.0	34.5
Procter & Gamble			
Folgers			
Regular	23.0	22.8	22.8
Decaf.	4.2	4.0	3.4
Flakes	5.0	5.0	5.1
Total	32.2	31.8	31.3
Nestle			
Hills Brothers	7.8	7.7	7.5
MJB	3.4	3.3	2.7
Chase & Sanborn	2.0	1.8	1.3
Taster's Choice	0.3	0.2	—
Total	13.5	13.0	11.5
Chock Full O'Nuts	3.4	3.4	5.1
Winterpark Investment Group**			
Maryland Club	0.5	0.7	0.9
Butternut	0.8	0.9	1.1
Total	1.3	1.6	2.0
Subtotal	**82.5**	**82.8**	**84.4**
All others	17.5	17.2	15.6
Grand total	**100.0**	**100.0**	**100.0**

Brand	Instant coffee 1989*	1988	1987
General Foods			
Maxwell House			
Regular	20.0	20.5	21.5
Decaf.	1.8	2.0	2.4
Subtotal	21.8	22.5	23.9
Maxim	1.3	1.4	1.5
Sanka	8.3	8.3	8.4
Freeze Dried Sanka	0.6	0.6	0.7
Yuban	0.8	0.7	0.6
Brim	0.9	1.1	1.6
International Coffees	3.0	3.0	3.0
Total	36.7	37.6	39.7
Nestle			
Nescafe Regular	7.3	7.4	7.5
Nescafe Decaf.	2.7	2.8	3.1
Taster's Choice Regular	11.6	11.3	10.6
Taster's Choice Decaf.	5.7	5.9	6.2
Sunrise	0.8	0.8	0.8
Hills Brothers	2.5	2.4	2.1
MJB	1.6	1.5	1.3
Chase & Sanborn	1.4	1.0	0.5
Total	33.6	33.1	32.1
Procter & Gamble			
Folgers Regular	17.5	17.0	16.0
High Point	0.8	0.9	1.0
Decaffeinated Folgers	5.6	5.2	4.3
Total	23.9	23.1	21.3
Borden			
Kava	0.3	0.4	0.5
Subtotal	**94.5**	**94.2**	**93.6**
All others	5.5	5.8	6.4
Grand Total	**100.0**	**100.0**	**100.0**

*1989 figures are estimates. **Procter & Gamble acquired Maryland Club and Butternut from Winterpark Investment Group in October 1989.
Source: John C. Maxwell Jr.

C27107

Advertising Age

April 23, 1990

Copyright 1990 by Crain Communications Inc.

0 14302 76871 1

SRI ACQUISITIONS
4520 EAST-WEST HWY #800
CONGRESSIONAL INFO SERVICE
#0201909649 6#01AA01752 99S12
#4B0000000005-DIGIT 20814

Crain's International Newspaper of Marketing · In Two Sections · Section 1 · $2.00

A-B to ink $100M ESPN deal

By John McManus

Anheuser-Busch is about to sign a new five-year, $100 million-plus ad commitment to ESPN, the major sports cable network.

The move could have ramifications for the Big 3 TV networks, each of which is preparing to sell ad packages on sports programming purchased for record fees.

"We're working on a multiyear deal with ESPN that will take care of our involvement with their coverage of Major League Baseball and National Football League games, as well as other parts of their schedule," said Charles Fruit, VP-corporate media at Anheuser-Busch.

Mr. Fruit declined to elaborate, except to say the deal was "not quite done, but we hope to announce it soon."

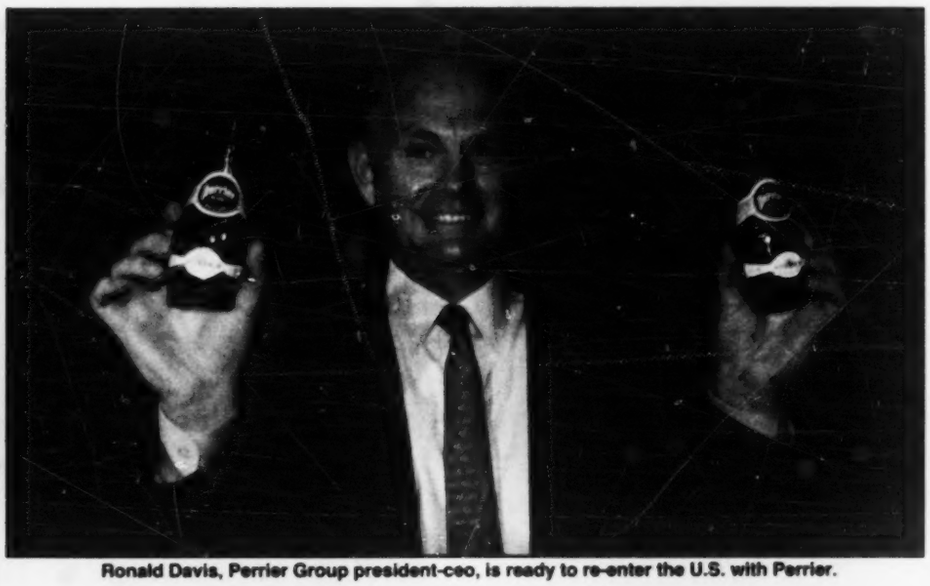
ESPN officials confirmed negotiations had reached the final stage but wouldn't disclose terms.

Media executives familiar with the pact said A-B has committed to buying five or six units in all of ESPN's 170 baseball telecasts. The current pact, signed in 1985, runs through this year; however, the 1990 baseball season will be considered part of the new deal.

The units are priced at about $17,000 per 30-second spot on Sunday nights, $13,000 for Wednesday nights and $8,000 for Tuesday and Friday night doubleheaders.

A-B is also expected to have a dominant beer category position in ESPN's new package of NFL

(Continued on Page 82)



Ronald Davis, Perrier Group president-ceo, is ready to re-enter the U.S. with Perrier.

PERRIER'S BACK

Whimsical campaign to support its return

By Patricia Winters

Perrier returns to the marketplace this week, facing one of the biggest marketing challenges in recent years—one that could make or break the brand in the U.S.

The marketer, Perrier Group, is using a deliberately whimsical ad and promotional blitz to bring back its sparkling water.

The company is hoping to erase any lingering doubts about the safety of the product, recalled from the market globally after traces of benzene, a carcinogen, were discovered.

"We recalled, we recycled, we publicly acknowledged we made a mistake," Ronald Davis, Perrier Group president-ceo, said in an interview at the company's serene Greenwich, Conn., headquarters. "We tried to be responsible."

"It's over," said Kim Jeffery, senior VP-marketing and sales. "In order to start to have some fun, we had to say what happened and say we're sorry. We did [that in March]. Now, we move on from that point."

Perrier's return:

New York	April 26
Miami	May 2
Baltimore/Washington	May 4
Los Angeles	May 8
Philadelphia	May 10
Boston	May 15
Chicago	May 22
San Francisco	May 24

Perrier hits shelves April 26 in New York, and after six weeks will be back in 90% of the U.S.

On the day each market is reentered, the company will start a two-week TV and newspaper campaign themed "We're back."

The TV commercials—the first since Waring & LaRosa, New York, won back the account from Hal Riney & Partners, San Francisco—are expected to use a fun-spirited variation of the famous "The earth's first soft drink" line, a source said.

In promotions, Perrier will conduct sampling in 15 top markets via portable "Perrier cafes," complete with staffers in "We're back" apparel.

These efforts are part of the

(Continued on Page 84)

Coke taps Host for marketing

By Patricia Winters

Coca-Cola USA has named an American Home Products Corp. executive as its senior VP-marketing, a post considered one of the toughest jobs in package-goods marketing.

Theodore J. Host, 44, now president of AHP's recently sold Boyle-Midway Household Products unit, assumes the Coca-Cola post May 1. The company has been searching to fill the top marketing post, formerly held by John C. Reid, for 18 months.

Reporting to Mr. Host will be Michael Beindorff, VP-marketing planning, and James Patton, head of marketing services. Mr. Beindorff is responsible for the company's $170 million soft-drink ad budget, as well as for brand planning, media and marketing research. Mr. Patton has responsibility for promotions, packaging and entertainment marketing.

Mr. Host's appointment isn't expected to spark any immediate changes within Coca-Cola's marketing structure or with its long-time agency relationships.

He will report to Coca-Cola USA President Ira C. Herbert, who's regarded as the company's top authority on all advertising and marketing functions.

T. Host

Executives close to Coca-Cola said Mr. Herbert will continue to have final say on all major advertising and promotion decisions.

"With Ike in charge, the organization will stay the way [he] likes to deal with it," said one executive close to Coca-Cola. "I don't foresee any major shakeup or realignment."

Said another executive: "Coca-

(Continued on Page 84)

LAST MINUTE NEWS

Financial review afoot

NEW YORK—A financial services company here with ad spending of $60 million to $100 million has contacted several shops with international capabilities through the search consultant Advertising Agency Register, agency sources said. The register has indicated to some agencies that credit card business could pose a conflict. Speculation among agency new-business sources centered on MasterCard International, now at Lintas:New York. Other sources named Citicorp, whose agencies include N W Ayer and Lowe Marschalk, both here, and Chicago-based Foote, Cone & Belding. Both companies denied they're looking for a new agency.

ABC yanks bungee ad

NEW YORK—ABC said it won't air Reebok's revised bungee-jumping spot again. The commercial ran on the network for the first time April 19 *(see earlier story on Page 81)*. "We accepted the spot pending re-evaluation of consumer complaints. The viewers responded," an ABC spokeswoman said. "We don't discuss numbers, but it was a significant amount, enough to justify withdrawing the ad." CBS also ran a revised spot last week.

Campbell cuts near

CAMDEN, N.J.—Campbell Soup Co. will cut 100 to 500 people from its headquarters staff within the next few

(Continued on Page 8)

INSIDE

Mary Wells has left an indelible mark on advertising.
—Page 46

Big shift at Saatchi

Trio of top execs may move to operating units

By Laurel Wentz

LONDON—Saatchi & Saatchi Co. Chief Executive Robert Louis-Dreyfus is expected to announce next week new jobs for Jeremy Sinclair, Saatchi deputy chairman, and Roy Warman and Terry Bannister, joint ceos of the communications division.

The three men will be leaving their current jobs in the holding company to work at individual operating units, Saatchi sources said.

Saatchi won't reveal which executive will go where, but sources speculated that Mr. Sinclair is likely to go to Saatchi & Saatchi Advertising.

One of the other two men would go to Backer Spielvogel Bates Worldwide, and the other would look after the remaining Saatchi communications businesses, according to the speculation.

"The general feeling is there's a need to reduce central overhead costs and put the costs in the profit centers," said a source familiar with Saatchi.

Sources said Backer Chairman-CEO Carl Spielvogel is unlikely to welcome the addition of a top Saatchi executive to his company.

"Backer Spielvogel Bates and Saatchi & Saatchi Advertising are the only ones that can really afford more management," said a source familiar with Saatchi. "There are a lot of people to persuade. . . . It is contentious which ones they want [to work at] and which ones want them."

Sources estimated that Messrs. Warman and Bannister are each paid about $450,000 a year.

Messrs. Sinclair, Warman and Bannister were on vacation last week and couldn't be reached for comment.

All three are members of the Saatchi holding company's board, and it isn't clear whether reassignment would affect that. □

Jon Lafayette in New York and Andrew Rosenbaum in Paris contributed to this story.

How Nissan pays Chiat

By Jon Lafayette

Nissan Motor Corp. USA is paying Chiat/Day/Mojo on a sliding scale ranging from an average 10% for the first $150 million in billings to 6% and less on additional spending.

The compensation arrangement, part of Nissan's overall agreement with Chiat, was obtained by *Advertising Age* last week.

The document was sent in an envelope to AA's Los Angeles office with no return address or cover letter. *Ad Age* has determined independently that the agreement appears to be authentic.

The three-year agreement, dated last Oct. 1, calls for Chiat to get a 12% commission on the first $50 million in spending, 10% on the next $50 million, 8% on the next $50 million, 6% on the next $50 million and 5% for any additional spending.

The Venice, Calif.-based agency gets those commission rates on media spending plus out-of-pocket expenses incurred servicing the account, including production costs. Agencies usually take a 16.75% markup on production costs.

The contract covers Nissan's national account; there's a separate agreement covering Chiat's work for Nissan's major dealer associations.

It couldn't be determined whether the new contract pays more or less commission than the previous contract.

Because of their sheer size—many carmakers spend more than $100 million with their agencies—auto accounts are among the agency industry's most profitable pieces of business even though commissions are low.

Nissan's arrangement with Chiat isn't uncommon. General Motors Corp. recently completed a five-year program that gradually cut agency commissions to 9% from 15% during the 1990 model year. During the same period, GM's U.S. media spending rose 69% to $960 million, LNA/Arbitron Multi-Media Service figures showed.

Chiat should be able to do well with Nissan, several agency executives said in response to questions about the contract's details.

At $150 million in billings, Chiat would collect $15 million in revenue. Industry executives estimated the agency should be able to generate a $2 million profit before taxes on the account annually based on spending at the $150 million rate.

Compensation was a controversial issue when Nissan was searching for a new agency in 1987 to replace William Esty Co., New York, and Nissan reportedly sweetened its inital compensation before awarding the account to Chiat.

One finalist, Ogilvy & Mather, dropped out of the review claiming it couldn't afford to take the account at the compensation levels proposed by consultant Alvin Achenbaum.

An O&M executive said Nissan

(Continued on Page 82)

Viewer drop hits upfront

By Wayne Walley

NEW YORK—An unprecedented drop in the number of people watching TV during the first quarter of 1990 is about to turn the network upfront selling season upside down.

Industry sources expect the networks to initially ask for 8% to 12% increases this year, but many buyers say they will be hard-pressed to accept cost-per-thousand increases above 5%.

Last year, media buyers expected single-digit CPM increases in the upfront market and left paying hefty 10% to 17% increases over 1988 levels.

Nielsen Media Research figures show that the recently completed 1989-90 prime-time network TV season was the least watched in history. While fourth-quarter 1989 ratings were respectable, first quarter 1990 ratings plummeted.

"This impacts on projections for next year," said an agency source. "If the numbers hold true, buyers will balk at big network increases and will have to look at lower-price non-traditional media. You'll see a huge influx of money into the unwired networks, and some of the big guys might decide to shift money to the spot market."

"If the numbers hold true, buyers will balk at big network increases and will have to look at lower-price non-traditional media."

The Big 3 networks combined for an average 39.7 rating (percentage of U.S. households) and a 65 share (percentage of TVs in use) for the whole season, a 4% drop from last year, Nielsen said.

Should the data hold true, advertiser and agency executives say they will shift spending to other TV media unless the networks hold down price increases this year during the upcoming upfront negotiations, when advertisers buy network time as much as a year in advance.

Network officials attributed the ratings decline to depressed homes-using-television, or HUT, levels, which dropped to 60.1 from 61.5 last year, representing a loss of about 1.4 million TV households.

A HUT level is the percentage of the nation's 92.1 million TV households using television at a given time; ratings represent the percentage of U.S. TV households watching a specific program at the same time.

TV usage usually peaks during the first quarter, but this year HUT levels in prime time were off 2% while daytime dropped 7% and late-night 5%.

The February and March ratings decline was so severe that it forced the networks to provide advertisers with make-good units that have already chewed up tens of millions of dollars worth of inventory.

"This is causing people to tear

(Continued on Page 84)

IN THIS ISSUE

NEWS

- **Jann Wenner,** *Rolling Stone* founder, shops for men's magazine **24**
- **Colgate-Palmolive** and other package-goods marketers go for transit ads **28**
- **Ed McCabe's** return to advertising is being hailed as bringing a new creative focus to the '90s **34**
- **Nabisco** adds a rock 'n' roll twist to Oreo cookies with new Chubby Checkers campaign **74**
- **General Motors** confronts marketing decisions as electric car plans get charged up **79**
- **Convenience store chains** try to ward off growing oil company stores with image campaigns **80**

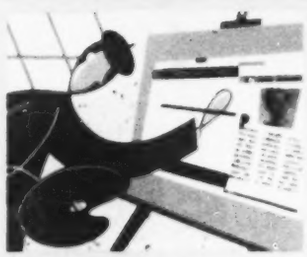
BOOK WATCH

- Excerpt from "Playing in Traffic on Madison Avenue" **48**

VIEWPOINT

- Sid Bernstein: A new book on advertising **50**
- Forum: Face up to pressure groups **52**
- James Brady: Plea for a Korean War memorial **56**
- Joe Winski: Agencies' acquired tastes **56**

Editorials ..... **50** Letters **54**
Brady's Bunch ..... **52** The Next Trend **56**



Magazine Redesign

- Five reasons to revamp book's look.
- What the experts think of redesigns.

MEDIAWORKS

- Magazines suffer slow first quarter **62**
- Consumer Linage **64**

PEOPLE

- Norman Vale abandons retirement for IAA post **66**
- People Moving **66, 68**
- Photo Review **70**

- Europeans nervous about ad restriction proposals **72**

- SkyTel's SkyPager commercials get sex appeal from highly charged and provocative communication.

U.S. NewsWatch ..... **10** Classified **77**
Corrections & Clarifications ..... **84** For the Record **81**
Index to Advertisers **86**

Contents copyright 1990 by Crain Communications Inc. All rights reserved.

Vol. 61, No. 17—ADVERTISING AGE (ISSN 0001-8899) is published weekly by Crain Communications Inc. at 740 Rush Street, Chicago, Ill. 60611-2883. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.00 a copy, $78 a year, $127 two years. Add $135 per year for air delivery to Europe & Middle East. Add $94 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 1-800-992-9970. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, Ohio 44691. AD ADE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, Ohio 45402 (800 227-4908).

What do moviegoers think of ads?

By Scott Hume and Marcy Magiera

Warner Bros. last week chimed in with Walt Disney Co.'s claim that commercials in movie theaters drive people goofy. But an *Advertising Age*/Gallup Organization poll shows most moviegoers are much less animated on the issue.

GALLUP SURVEY

A national survey conducted by Gallup found opposition to cinema ads, though milder than what was reported by Disney when it started its ban last month.

Also, that opposition drops significantly if the alternative to cinema ads is higher ticket prices, the *Ad Age*/Gallup poll found.

Gallup surveyed 1,000 persons by phone in March and asked whether they had seen a movie in a theater during the previous three months. The 435 persons who said they had were asked additional questions about ads shown before the feature.

Of that group of moviegoers, 21% said they strongly favor a ban on in-theater ads; 23% said they favor a ban; 31% oppose a ban on ads; 4% strongly oppose a ban; and 21% were undecided.

The Gallup survey, which has a margin of error of plus or minus 3.1%, found sentiment against cinema ads stronger among men (46% of whom favor or strongly favor a ban) than women (42%).

Also, 50% of moviegoers ages 55 or older favor such a ban, vs. 40% of those ages 18 to 34.

Those who said they favor or strongly favor a ban on cinema ads were asked whether they would continue to favor a ban if it meant a 50¢ increase in the price of a ticket. Under that scenario, half this group said they wouldn't oppose being shown ads.

If a ban would mean a $1 increase, only 26% of the ad-opposition group said it would continue to resist. If they were faced with a $2 price increase, opposition shrank to 15% of the group.

Earlier this month, Disney released a survey of moviegoers it commissioned that found 90% of those interviewed opposed to being shown paid advertising in theaters.

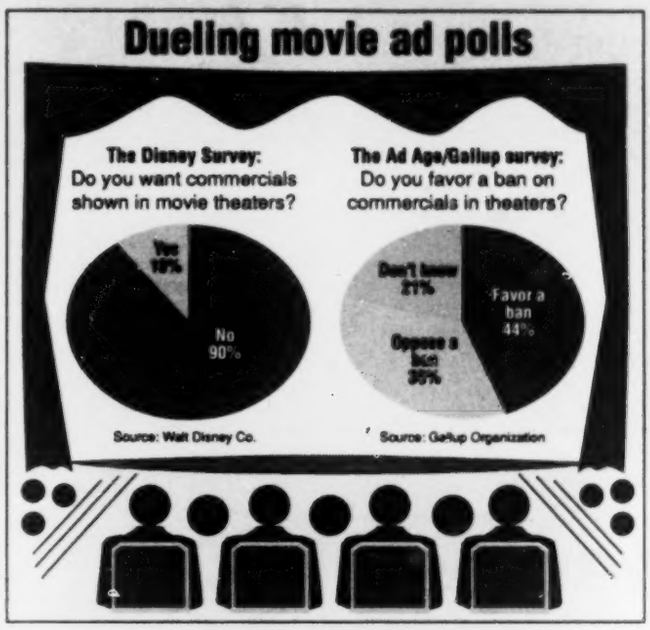
Disney said the survey backed its February edict that theaters not show ads before movies distributed under its Disney, Touchstone Pictures or Hollywood Pictures banners (AA, Feb. 12).

Disney's survey, which interviewed in-person 18,772 moviegoers in 10 cities on March 31, was conducted by National Research Group, a Saatchi & Saatchi Co. subsidiary.

It found 95% of respondents in favor of seeing promotional trailers for upcoming movies. For non-film products, the strongest support—at 11% in favor—was for soft-drink commercials, followed by automobiles, 10%; beer, 8%; and newspapers and credit cards, tied at 5%.

The *Ad Age*/Gallup survey asked which cinema advertiser moviegoers had seen that first came to mind, and the sample's top vote getter was Coca-Cola/Coke, followed by Pepsi-Cola, concession stands, popcorn, the *Los Angeles Times* (which was the top vote getter among respondents in the West), American Express, Diet Pepsi, soft drinks in general, anti-drug ads and anti-smoking ads.

Nearly 6 of 10 persons (58%) who said they had been to a movie theater in the past three months were unable to recall a commercial they had seen.


Dueling movie ad polls
The Disney Survey:
Do you want commercials shown in movie theaters?
Yes 10%
No 90%
Source: Walt Disney Co.
The Ad Age/Gallup survey:
Do you favor a ban on commercials in theaters?
Don't know 21%
Favor a ban 44%
Oppose a ban 35%
Source: Gallup Organization

Holly Seguine

Warner Bros., in becoming the second studio to prohibit movie theaters from showing on-screen commercials before its films, said its policy takes effect with the May 18 release of "Gremlins 2: The New Batch."

"We've never been in favor of [on-screen advertising]," said Barry Reardon, Warner Bros. president-domestic distribution. "Back in 1978, with the release of 'Superman,' we said we didn't wish it to be played" with ads but didn't really enforce the policy.

Disney declined to comment on the Warner Bros. policy. But in an interview last February, Richard Cook, president of Disney's Buena Vista Pictures Distribution unit, expressed hope that other studios would join with Disney and make the prohibition of on-screen ads an industry policy.

Exempted from both the Disney and Warner Bros. policies are theatrical trailers, slides projected during intermission and ads for approved charitable purposes.

Mr. Cook said "all [theater chains] across the country have now agreed" to honor Disney's policy.

United Artists Entertainment Co., which operates 2,600 of the approximately 17,500 first-run theater screens in the U.S., originally balked at Disney's dictum but acquiesced last month.

"We've said from the outset that, in terms of dollars, [on-screen ads] are not material," said John Neal, VP-corporate communications at UA.

The theater chain also will "comply with [the Warner Bros. policy] as far as we have to," Mr. Neal said.

The movie theaters may get a hand from the Federal Trade Commission. Hollywood sources say the FTC is looking into possible restraint of trade implications in the studios' ban on advertising before their films.

The U.S. Department of Justice also was considering an investigation of the matter, sources say, but in meetings between the two agencies it was determined FTC would handle it. □

Global ad buys in Ford's future

By Raymond Serafin

DETROIT—Global approaches to media buying and market research may be part of Ford Motor Co.'s future, said Edsel Ford II, executive director of Ford's marketing staff.

One possibility is that Ford will assign a single agency to negotiate worldwide media buys with companies that publish or broadcast internationally, Mr. Ford said last week during a meeting of the Automotive Press Association.

E. Ford

But "we're a long way away" from making a decision to go that route, he said.

The major international agencies for Ford are J. Walter Thompson Co., with responsibility for Ford advertising in 13 countries, including Ford Division in the U.S.; Young & Rubicam, with four Ford accounts in Europe and North America, including Lincoln-Mercury in the U.S.; and Ogilvy & Mather, with Ford assignments in 12 countries, including the Parts & Service Division in the U.S.

"There's going to be a day where maybe one advertising agency ... would be buying media globally," Mr. Ford said. "*Time* magazine publishes everywhere in the world, and Ford buys *Time* magazine everywhere in the world. Why don't we have one advertising agency go to *Time* in New York and say we want to make a global buy?" That, he said, is "one of the internal questions we're asking ourselves."

Although a global ad campaign isn't likely soon, Mr. Ford said a standardized approach to market research would help the automaker develop marketing strategies that cut across boundaries.

He's been urging the research companies that separately compile demographic and psychographic data on new-car buyers in the U.S. and Western Europe to standardize their approaches "so we can compare the tastes and wants of consumers."

Mr. Ford said a majority of auto sales growth during the next two decades will occur "in markets where most automakers have little or no presence today," including Eastern Europe, the Soviet Union and Asian countries such as India and Indonesia. Joint ventures between automakers to design, build and market vehicles in various countries will become even more commonplace, he said. □

Nike joins literacy fight

An Advertising Age roundup

Nike last week became the most recent recruit in the fight against illiteracy and for keeping kids in school, joining ranks with Adolph Coors Co., PepsiCo, Chrysler Corp. and first lady Barbara Bush.

The athletic shoe marketer will spend $5 million to create and air a pro-education campaign that will be tied to its basketball, cross-training and tennis shoe lines.

The move comes as Nike and other running shoe marketers are under attack for overglamorizing the product in ads and spurring inner-city crime.

"As part of each campaign, we'll do an extra spot as a public service execution," said Liz Dolan, Nike's director of public relations.

Nike's first stay-in-school spot could break as early as July. It will feature David Robinson of the San Antonio Spurs, who promotes Nike's Force line of basketball shoes and apparel.

Nike spends $60 million a year on advertising. Wieden & Kennedy, Portland, Ore., handles creative. SFM Media, New York, buys media.

For Nike and other marketers, media dollars spent on public service advertising can do double duty, increasing awareness of the company's products and providing a positive public relations push.

"Literacy is a major problem in the country, and we thought we might have an impact," said John Meadows, Coors' director of community relations. "It is a recognition that we care about an issue and have done something about it."

Coors will spend $40 million on advertising over the next five years to demonstrate its commitment to literacy.

A "Literacy—pass it on" campaign from the Coors Foundation for Family Literacy broke April 1 with radio, print and outdoor ads and a Hispanic campaign. The effort may expand later to include network and spot English-language TV.

GSD&M, Austin, Texas (agency for the Coors brand), is handling TV and Hispanic advertising; Coors corporate agency Evans/-Denver will do print advertising aimed at women, and UniWorld Group, New York, will do radio and outdoor advertising aimed at blacks.

Some of UniWorld's radio advertising will feature celebrities like Danny Glover, Jeffrey Osborne, Freda Payne and Vanessa Williams in 90-second "Moments

(Continued on Page 86)

WORLD NEWS ROUNDUP

■ **London—British Satellite Broadcasting** has postponed its $22 million ad campaign set to break this week introducing the four-channel satellite TV service. Bartle Bogle Hegarty handles.

■ **Sydney—Australian Consolidated Press,** owned by Kerry Packer, has folded *Harper's Bazaar,* which it acquired 18 months ago from Fairfax Magazines. ACP said the recent launch of *Elle* hindered *Harper's* efforts to get ad support.

■ **Paris—Publicis** and Foote, Cone & Belding Communications' Vicom in a joint venture have formed a new healthcare network. The new venture, to be called Publicis/Vicom, already has offices here and in Frankfurt and London. Vicom is among the top 10 U.S. healthcare agencies.

■ **Toronto—General Motors Canada** consolidated its national advertising, promotions and special events marketing with a joint

(Continued on Page 72)

SPECIAL REPORT

Magazine Redesign

Edited by Therese Kauchak

Nuts and bolts S-2
From *American Photo* to *Travel Holiday*, how magazines chose new looks.

No longer fashionable S-4
All dressed up and no place to go: The story of how *In Fashion* folded.

Picture perfect S-8
What magazines are pleasing the eyes of the art crowd.

Power of print S-20
Newspapers' critics sort through their stacks of magazines for some winners.

Introducing the new look of publishing in the '90s

Redesigns run rampant in the battle to hold the reader

John Pirman

By Scott Donaton

What's a *Harrowsmith*?
A) A tiny Canadian village known for its cheddar cheese.
B) A country lifestyle magazine.
C) A rock group.
D) A & B.

The correct answer is "D." But don't feel upset if you got it wrong—most people do.

"When you tell someone it's [a magazine] about country life," says *Harrowsmith* Associate Publisher Craig Neal, "it's like, 'oh, OK.' But a casual reader doesn't know what it means."

That is why the publication, launched in 1986 and named after a small, cheese-making village north of the U.S. border, will be renamed *Harrowsmith Country Life* with a redesigned May/June issue.

Harrowsmith is an example of just one type of magazine redesign. There are almost as many forms as there are magazines and reasons for tinkering with them *(see related story below)*.

"Redesigns are sometimes done for a change of editorial intent," says design consultant Milton Glaser, "or because a title is faltering or not reaching the audience it's trying to reach. Sometimes, they're done because there's a change in editors. Sometimes, [the editors] just get bored and decide it's time. Like getting a new spring wardrobe."

In today's crowded, volatile magazine market, overhauls have become commonplace as publications strive to rise above the clutter.

In this environment, magazine makeovers have made the leap from last-ditch measure to everyday occurrence.

"It's becoming routine. It's like there's a clock ticking in every magazine and when the alarm rings, they redesign," says design consultant Roger Black.

Still, he adds, "while there's a little more recklessness, many editors have a better

(Continued on Page S-2)

Methods to makeovers

Five primary theories drive the urge to revamp a magazine's looks.

Culled from interviews with editors and design consultants, here's the unofficial breakdown. The five range from the relatively simple "rechristening" through the drastic "repositioning" with "design-driven," "editorial-driven" and the somewhat whimsical-sounding "change for change's sake" in between. Examples of some magazines that have undergone such changes in recent years:

Rechristening. Magazines entering a crowded field will sometimes choose a quirky name in the hope of standing out from the pack. But that strategy often backfires when the title isn't an accurate reflection of the magazine's content.

Craig Neal, associate publisher of *Harrowsmith Country Life*, formerly *Harrowsmith*, believes the new name will attract new advertisers.

"It defines the magazine more clearly and opens up to us some of the categories now being enjoyed by *Country Living* or *Country Home*: more female-oriented and service-oriented," he says.

Hippocrates, now *In Health*, is another rechristening designed to increase circulation and ad pages.

The health magazine's shift to a more consumer-friendly title also paved the way for the January launch of a trade magazine for physicians called *Hippocrates*.

Other magazines that have recently changed to clarify their editorial positions include *New Choices for the Best Years*, formerly *50 Plus* and *Savvy Woman*, for-

BAROMETER

Take a number

Magazines' biggest spenders

($ in millions)

Company	1989	'88-89 % chg
CBS-TV network	$33.0	9.6%
ABC-TV network	26.6	2.2
NBC-TV network	24.2	0.9
Merit Kings	24.1	19.8
AT&T Long Lines	23.0	54.6
Capri Trim & Light 100s	21.4	233.9
Carlton	19.7	79.9
Franklin Mint Porcelain Collection	18.2	-16.4
Merit Ultra Light	17.9	118.8
AT&T Long Lines, overseas	17.4	15.8
Walt Disney World	16.8	107.0
Salem	16.7	92.2
Franklin Mint Collections	16.6	5.7
Alpine	15.2	NA
American Express credit cards	15.0	29.7
Infiniti	14.7	NA
Danbury Mint Commemorative	14.3	NA
De Beers	14.2	-26.9
Columbia (records, tapes & discs)	14.1	8.3
AT&T Long Lines, business	14.1	109.5

SOURCE: LNA/Arbitron Multi-Media Service

Magazines' biggest categories

($ in millions)

Company	1989	'88-89 % chg
Passenger cars & vehicles	$561.5	11.6%
Direct response	441.9	13.8
Cigarettes & tobacco	400.1	12.8
Cosmetics & beauty aids	318.5	17.1
Resorts & travel accomodations	229.0	22.2
Liquor	214.9	8.1
Ready to wear	205.6	16.6
Personal hygiene & health	189.8	23.9
Communications & public utilities	156.1	9.5
TV & cable TV	155.1	5.0
Trucks, vehicles & leasing	147.4	16.1
Computers & data processing equipment	141.7	11.4
Cooking products & seasonings	135.1	8.3
Financial	129.8	-17.2
Passenger travel	128.1	24.3
Retail stores	123.1	-28.2
Hair products	120.9	12.9
Medicine & proprietary remedies	96.6	-4.8
Office machines & equipment	95.0	8.0
Prepared & convenience foods	94.5	14.2

SOURCE: LNA/Arbitron Multi-Media Service